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ABSTRACT

This document summarizes a study that found a decline in the economic well-being of black children and families over the period from 1960 to 1985. Census figures were analyzed by region and for 45 metropolitan areas. The following key findings are reported: (1) the increase in the number of female-headed households is only one of several factors that have caused the increase in poverty among black children; (2) black families of every type suffered a decline in economic status; (3) young families are most likely to be poor because of a drop in employment and earnings for workers in their 20s; (4) children born to young never-married mothers who live in economically depressed areas and receive public assistance are most at risk of long-term poverty; (5) black children who live in the North are more likely to be poor in 1984 than in 1969, and their families are more likely to be categorized as the "dependent poor," deriving most of their income from public assistance; and (6) the economic status of black children who live in the South improved slightly between 1969 and 1984, and when their families are below the poverty line, they are more likely to be categorized as "working poor" rather than "dependent poor." The implications of the findings for the Family Support Act (FSA) are discussed. Areas for further research are suggested. Statistical data are presented in four graphs. (FMW)

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THE DECLINING ECONOMIC STATUS OF BLACK CHILDREN

EXAMINING THE CHANGE

SUMMARY OF FINDINGS

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JOINT CENTER FOR POLITICAL AND ECONOMIC STUDIES

THE DECLINING ECONOMIC STATUS OF BLACK CHILDREN

EXAMINING THE CHANGE

SUMMARY OF FINDINGS

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JOINT CENTER FOR POLITICAL AND ECONOMIC STUDIES

Joint Center for Political and Economic Studies

The Joint Center for Political and Economic Studies contributes to the national interest by helping black Americans participate fully and effectively in the political and economic life of our society.

A nonpartisan, nonprofit institution founded in 1970, the Joint Center uses research and information dissemination to accomplish three objectives: to improve the socioeconomic status of black Americans; to increase their influence in the political and public policy arenas; and to facilitate the building of coalitions across racial lines.

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PREFACE

Few issues before the nation are more pressing than the plight of children in poverty. Nearly half of all the black children in America today live below the poverty line, and many of these poor children are becoming poorer. The most impoverished black children are the very youngest -- babies and toddlers less than three years old. Unless current trends are reversed, most children in the highest-risk families can expect to spend all their childhood years in poverty.

The urgency of the problem, together with the lack of sufficiently detailed information regarding its exact character and scope, prompted the Joint Center for Political and Economic Studies to undertake an in-depth, multiyear study of black children in poverty, with the generous support of the Carnegie Corporation of New York and other funders. The findings of that study are summarized here.

The research was conducted by Dr. Cynthia Rexroat, a former Joint Center research associate who is now assistant professor of sociology at Clemson University. Her work was carried out under the supervision of the Joint Center's vice president for research, Dr. Milton Morris, and deputy director of research, Dr. Margaret C. Simms. Yukiko Carnes was the computer programmer/analyst on the project. Editing and production were carried out by editorial consultant Janet W. Lowenthal and production manager Tyra Wright under the supervision of communications director Nancy Stella. We are grateful to all of them, as well as to others not named here, who assisted with the project.

It is our hope that this research will clarify some of the aspects of black poverty that have been misunderstood, will stimulate greater public concern about children in poverty, and will elicit renewed resolve on the part of policy makers to address this critically important issue.

Eddie N. Williams
President
Joint Center for Political and Economic Studies

THE DECLINING ECONOMIC STATUS OF BLACK CHILDREN

Examining the Change

During the past three decades, the economic picture for black Americans has increasingly become a study in contrasts. On the one hand, there is a growing middle class that has made great strides toward closing the gap between blacks and whites with respect to education, employment, and, therefore, economic resources and stability. At the same time, a growing segment of the black population is increasingly mired in poverty. While legal guarantees of equal opportunity have been the catalyst for upward mobility for many poor and working class blacks, many others have not been able to reap the benefits of these changes. Indeed, the plight of many has worsened.

Among blacks in poverty, no group more fully dramatizes the depth of the problem before us than the children. They are not only the most vulnerable victims of poverty; they are also, literally, the future. If current trends hold, these children will be increasingly hard-pressed to overcome the burdens imposed by poverty. Growing numbers of them will not succeed.

Focus of this Study

This study examines changes in the economic well-being of black children and their families over the period from 1960 to 1985. The findings are based on data from the decennial censuses of the U.S. population for 1960, 1970, and 1980, and mid-decade information from the Current Population Survey. In addition to providing a national overview, the study examines changes in the economic status of children by region and for 45 metropolitan areas with a black population of at least 100,000 in 1980. These cities, 11 of them in the Midwest, six in the Northeast, three in the West, and 25 in the South, were home to over half the nation's black population in 1980. The study findings will be published in full as a Joint Center monograph in 1991.

This research in some instances confirms and in others confounds conventional wisdom about black poverty. As expected, the findings show that out-of-wedlock births and female-headed families are strongly linked to growing childhood poverty. But they also indicate that the changes in family structure, alone, are not enough to account for the growing numbers of black children in poverty. In fact, declining economic opportunity has played at least as great a part in increasing the prevalence of childhood poverty as the change in family structure.

Finally, in other areas, this research brings to light unexpected information that raises new questions to be addressed in the future. For example, the growing divergence in economic standing between single-parent households headed by women who were previously married and those headed by women who were never married deserves further study and analysis.

Key Findings

This research provides new insights in three broad areas. The first is the relationship between family structure and poverty. Because increases in poverty have occurred at the same time that family structure has been changing, it is widely assumed that the latter is the cause of the former. This research tested the validity of that assumption and found that family structure is not the sole, and probably not even the most significant, factor in the growth of poverty.

Second, these findings provide a more detailed look at the contours of poverty itself. Of particular importance are findings regarding the deepening of poverty, with the slide of many black families from the working poor category to the ranks of the dependent poor. Families caught in this downward shift are not only subject to greater economic deprivation; but without employment they also have less opportunity to enter the economic mainstream.

Another significant factor that emerges is the growing disparity between children in families headed by women who have never been married and those whose mothers were formerly married. These findings show a new and important divergence in poverty levels for children in those two types of female-headed households.

Finally, by combining a comprehensive national portrait with more precise information by region and metropolitan area, these findings provide, for the first time, a detailed "map" of poverty. The findings reveal important regional differences in both the character and the leading causes of black childhood poverty.

Families in Change in a Changing Economy

While family structure is an important factor in determining whether a black child will be poor, the decline in marriage and the increased proportion of births occurring out-of-wedlock do not account fully for the decline in children's economic well-being. Indeed, the study revealed that the economic slippage experienced by all types of black familie—whether headed by married couples, never-married women, or formerly-married women—played at least as great a role as family structure change in the worsening status of black children.

- The rising proportion of births to never-married women, plus increasing rates of separation and divorce, have doubled the proportion of black families headed by women: from 25 percent of all black families in 1960 to over 50 percent in 1985.

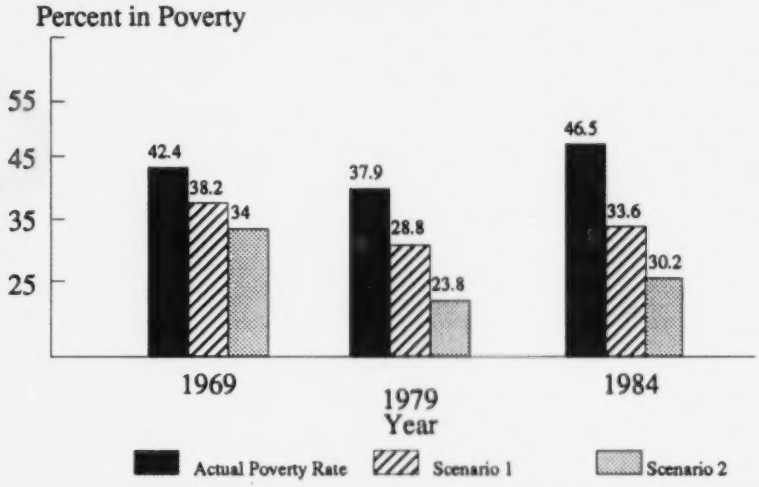
- Most of this growth in the number of female-headed families stems from the increasing proportion of black families headed by women who have never married, as opposed to those who are separated, divorced, or widowed. The number of families in the former category rose from about 10 percent in 1960 to 33 percent in 1985.

- Changing family structure is only one of several factors that have caused the increase in poverty among black children. If family structure had remained the same as in 1960, that is, if the percentage of black female-headed families had not risen at all, the percentage of poor black children in 1984 would have been about one-sixth lower than it actually was in that year (33 rather than 47 percent of all black children). (See Figure A, scenario 1.)

- Black families of every type experienced some real decline in

Figure A.

Hypothetical Poverty Rates for Black Children: 1969-1984



Scenario 1: The striped bars show what the poverty rate would have been for black children if (a) family structure had remained the same as in 1960 (that is, with no increase in the percentage of female-headed families), but (b) the poverty rates for each family type continued to change as they actually did.

Scenario 2: The shaded bars show what the poverty rate would have been for black children if (a) the poverty rates for each family type had remained as they were in 1960, but (b) black family structure continued to change as it actually did.

their economic status at some time during the period, contributing significantly to the overall deepening poverty levels for black children. If female-headed families had been able to "hold their own," that is, if their poverty rates had changed in the same way that those rates changed for married-couple families from 1960 to 1984, only 30 percent of all black children (rather than the actual 47 percent) would have been poor in 1984--even with the increased *proportion* of children living in female-headed families. (Figure A, scenario 2)

It is well known that black female-headed families experience greater economic hardship than married-couple families. While this research confirms that female-headed households bear a

disproportionately high share of the poverty burden, it also found a slight overall improvement in the economic status of these families. Among these families, however, the research also uncovered a growing economic disparity between families headed by never-married versus formerly-married women. In 1959, 78 percent of each type was poor; by 1984, that percentage had declined to about 50 percent among the previously-married, but remained over 67 percent for the never-married.

- Because of a drop in employment and earnings for workers in their 20s, young black families were much more likely to be poor in 1984 than in 1979, regardless of their family structure. Older families, on the other hand, including those headed by never-married women, were neither more nor less likely to be poor in 1984.

The Face of Childhood Poverty

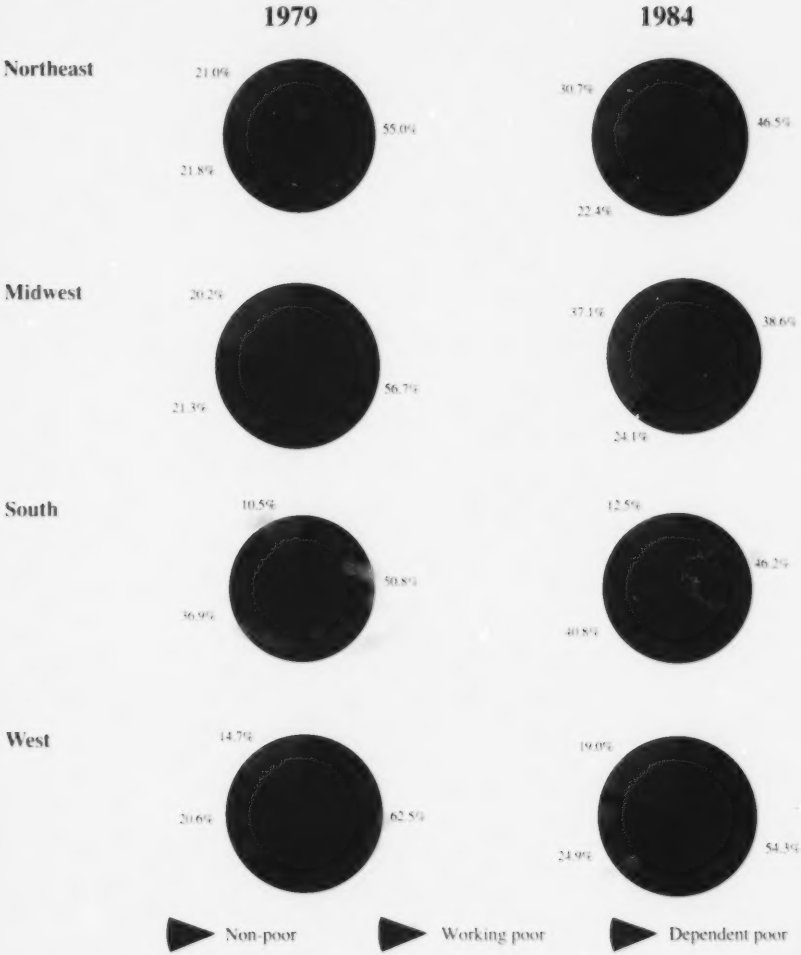
The children who fare worst are those who face multiple risks. They are born to young never-married mothers who live in economically depressed areas and are very likely to be on public assistance. The concentration of poverty is highest for the youngest black children, who are much more likely to be poor than older children.

- In 1969, the poverty rates of black children did not vary in relation to the age of the family head. By 1984, children in young families (where the head of household is under 30) were twice as likely as children in older families to be poor.

- Many poor black children are becoming even poorer. In 1969, about 3.5 times as many black children lived in working poor families as lived in families dependent on public assistance (around 40 percent compared to 11 percent). By 1984, this ratio had shrunk to 1.5 (33 percent compared to 21 percent).

- Black children in families headed by never-married women today are much more likely to be impoverished than are children in married couple families or in families headed by a formerly-

Figure B.
Regional Change in the Poverty Status* of Black Children: 1979-1984



*Poverty status is defined as falling below 125% of the poverty threshold. Children living in families with no reported income are not included here.

married woman.

- The very youngest black children, those under the age of three, have become especially vulnerable economically. Not only are they the poorest black children, they are also the ones with the fastest rising poverty rates. By 1984, over half of all black children under the age of three were poor, an increase of over 10 percent just since 1979. Children younger than three in families headed by never-married women have the highest poverty rate of all: 87 percent in 1984 (up from 76 percent in 1979).

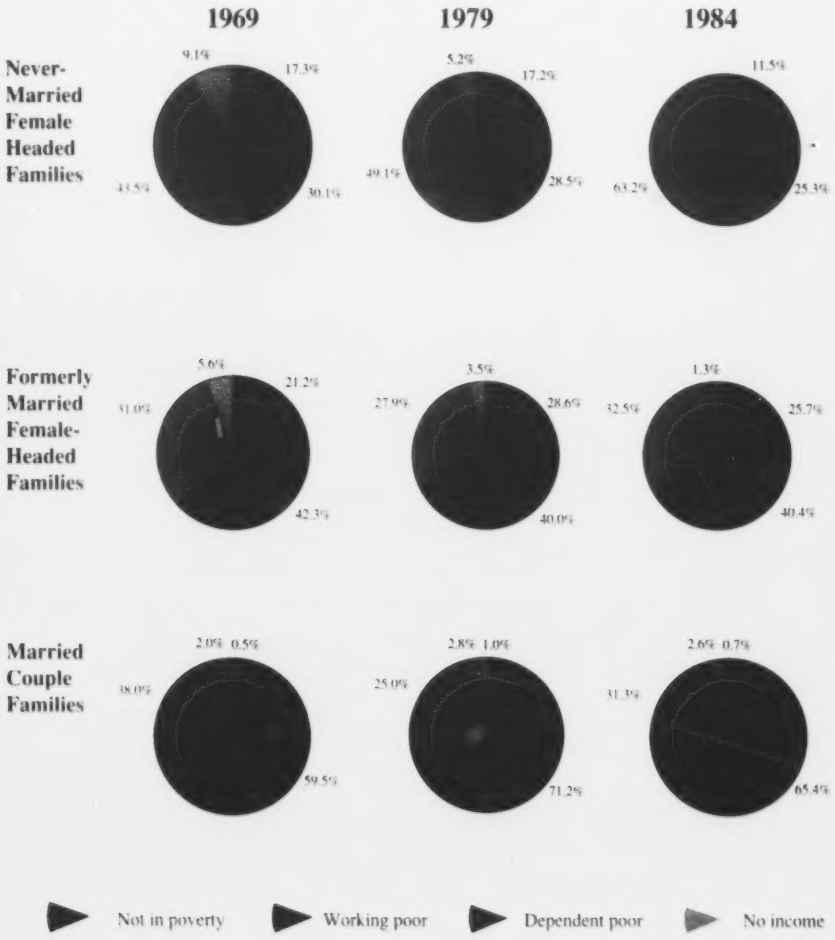
- Compared to other family heads, black mothers who have never married are more likely to be in their 20s. By 1985, nearly 60 percent of all never-married female heads were in this hard-hit age bracket, while just 25 percent of household heads in married-couple families and fewer than 15 percent of formerly-married female heads were in this age group.

- The high poverty rate among never-married mothers in their early 20s reflects their education and employment status. The percentage of these women who had completed at least one year of college declined slightly, from 21 to 18 percent, between 1980 and 1985, while employment dropped from 45 to 35 percent. These trends are probably related, in turn, to the general drop in employment and earnings among workers in their 20s and to the sizable proportion of young never-married mothers living in economically depressed areas.

- The economic status of young never-married black mothers who were between the ages of 20 and 24 in 1979 had changed little by 1984, when they were 25 to 29. Three out of four of these young women continued to live below the poverty line.

- Most importantly, young black children are not likely to "grow out of" poverty as they age, because an increasing number live in families headed by a never-married woman who is in her 20s, lives in an economically depressed area, and is herself unlikely to escape from poverty. Based on calculations from the 1980 census

Figure C.
Distribution of Black Children* Under Age Three, By Family Type and Poverty Status: 1969, 1979, 1984



*Includes only children related to the household head.

data, the average black child who continues to live with his or her never-married mother will spend 15 years of childhood in poverty. In other words, the life chances of the very youngest generation of black children are those most seriously jeopardized by the combined trends discussed in this study.

The Geography of Poverty

Poverty differs substantially by region. In the North, black children were more likely to be in poverty in 1984 than in 1969. Moreover, Northern children in poverty were also more likely in 1984 to fall into the most disadvantaged subcategory: the "dependent poor" families, who derive most of their income from public assistance. Black children in the South, on the other hand, were slightly better off in 1984 than in 1969, and the families of those below the poverty line were more likely to be classed as working poor rather than dependent poor.

- In the 20 metropolitan areas outside the South, poverty increased among black children, on average, from 30 percent to 35 percent from 1969 to 1979. This trend is largely due to declines in black male employment in those areas (down from 66 percent to 55 percent, on average), and to increases in the proportion of children living with never-married mothers (up from six percent to 15 percent, on average).

- During that same period in metropolitan areas outside the South, black children -- whether above or below the poverty line -- became poorer. More specifically, the proportion of black children above the poverty line declined two percentage points and those in working poor families decreased three points, while the percentage dependent on public assistance grew by more than five points. In some cities, black children suffered especially sharp setbacks. In Milwaukee and Cincinnati, for example, the proportion of black children in dependent poor families increased by approximately 11 points and in Buffalo the increase was 10 points.

- Even in the Northeastern and Midwestern metropolitan areas where the proportion of black children in poverty changed very

little, there was, nevertheless, substantial erosion in the relative status of black children already classified as poor during this period. For these metropolitan areas, the declining number of children in working poor families and the increasing number of those in dependent poor families balanced each other out. In Indianapolis, for instance, there was a 10.1 point decline in the proportion of black children in working poor families, and a corresponding 10.9 point increase among those classed as dependent poor.

- Between 1979 and 1984, the deepening of poverty for black children was most pronounced in the Midwest. There, 37 percent of all black children relied on public assistance in 1984, up from 20 percent in 1979. During that same period, the percentage of dependent poor black children grew from 21 to 31 percent in the Northeast, and from 10.5 to 12.5 percent in the South.

- From 1969 to 1979, the six Northeastern metropolitan areas that were studied averaged a 3.4 point increase in the proportion of black children living in dependent poor families, while the 11 Midwestern metropolitan areas averaged a 7.2 point increase.

- In the 11 Midwestern cities and the six Northeastern cities studied, the increasing percentage of children living with never-married mothers was more closely associated with declines in black male employment than with any other trend.

- Black families headed by never-married women in their 20s were much more likely than other young families to live in economically depressed regions. For example, in 1985 more than 50 percent of families headed by young never-married women lived in the Northeast and the Midwest, compared to fewer than 25 percent of the young married-couple families.

- In the South, on the other hand, the economic situation of black children improved. Between 1969 and 1979 the poverty rate for black children declined from 43 to 37 percent for the region as a whole, rising only in Atlanta, Birmingham, and Jacksonville, of the

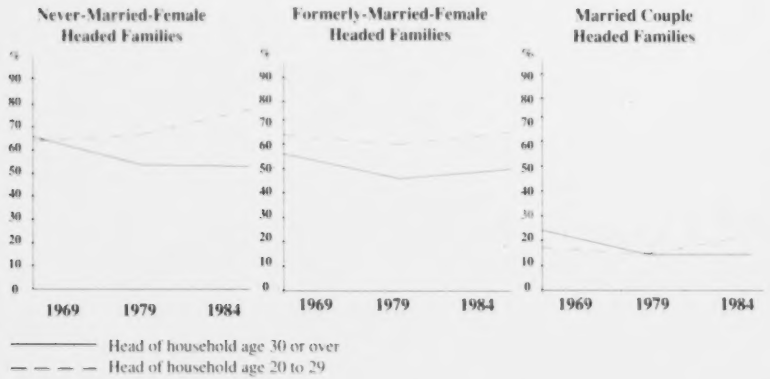
25 Southern cities studied.

- This improvement seems to be associated with the expansion of economic opportunities in the South, enabling black family heads to improve their earnings. Thus, growth in the proportion of black children who had risen above the poverty line (9.5 percentage points) coincided with a 12 point decline in the number of children whose families were classified as working poor.

- While the proportion of black children living in female-headed families increased in the South during this period, this trend was not related to changes in black child poverty rates in three-quarters of the Southern metropolitan areas studied.

- Southern black children in rural areas were considerably more likely than urban children to be poor, both in 1979 and 1984. Nevertheless, black children in the rural South faced a lower degree of economic deprivation than those in urban areas outside the South.

Figure D.
Percentage of Black Families With Children in Poverty by Family Type and Age of Family Head: 1969, 1979, 1984



Policy Implications

Among policy makers across the nation there is growing interest in the "poverty problem" and active discussion about developing appropriate, effective policies to ameliorate the effects of poverty, especially on children. However, this discussion is often narrowly focused on reassessing the role of government in solving social problems within a framework defined by apparently limited public resources and an economy that is growing slowly or not at all. Therefore, the imperative is for cost-effective measures that could open pathways to economic independence and stability.

The findings of this study indicate that the situation for black children has deteriorated, not only because of the decline in marriage, but also because of changes in the economic opportunities available to the heads of households in which these children live. The specific circumstances of black children in poverty vary by family type, region, and age of child. These variations must be accounted for, so that policy solutions can be appropriately targeted to address specific needs.

The Family Support Act (FSA), passed by Congress and signed into law in 1988, is one major program crafted in the new era of concern about the poverty problem. This act strengthens the legal child support mechanism and provides for the establishment of structured employment and training programs for individuals on public assistance. FSA has potential for addressing some of the needs of black children. However, the program's overall effectiveness will be determined by how well the act is implemented at the state level and by how much funding is available. Moreover, FSA is unlikely to have much impact on the large number of working poor families in the South. Nor will it lift children from poverty if their parents are merely shifted from the dependent poor to the working poor column.

In the long run, even a Family Support Act that is appropriately implemented and adequately funded cannot stand alone as the sole means for improving the well-being of children. Rather, the situation calls for comprehensive strategies and programs to improve the quality of education, provide skills training for the jobs of the future, and ensure equal access to employment opportunities.

Additional research is also needed to provide the necessary foundation for sound policy. The Joint Center for Political and Economic Studies has several current research programs underway that explore a number of particularly relevant poverty-related questions. For example:

- What are the implications of the Family Support Act for the economic status of black families?

- Does economic expansion lead to improved well-being for female-headed households in different regions?

- How effective are innovative vocational education programs at moving disadvantaged young blacks into the economic mainstream?

- How are community-based organizations trying to address the crisis now confronting black male children?

Metropolitan Areas Studied

Northeast
Boston
Buffalo
New York
Newark
Philadelphia
Pittsburgh

South
Atlanta
Augusta
Baltimore
Baton Rouge
Birmingham
Charleston, S.C.
Charlotte
Columbia, S.C.
Dallas/Fort Worth
Fort Lauderdale
Greensboro
Houston
Jackson
Jacksonville
Louisville
Memphis
Miami
Mobile
Nashville
New Orleans
Norfolk
Richmond
Shreveport
Tampa/St. Petersburg
Washington, D.C.

West
Los Angeles
San Diego
San Francisco

Midwest
Chicago
Cincinnati
Cleveland
Columbus
Dayton
Detroit
Gary
Indianapolis
Kansas City
Milwaukee
St. Louis

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Black Educational Achievement

Community-Based Responses to the Problems of Young Black Males

Demographic Projections of the School-Age Populatrion

Economic Recovery and the Economic Status of Southern Black Families Headed by Women

Persistent Urban Poverty

Skills Acquisition by Economically Disadvantaged Youth

Poverty and Social Policy in the 1990s: A Comparison of the U.S. and European Experiences

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Monographs

Black Economic Progress: An Agenda for the 1990s
Margaret Simms, editor
1988. Cloth, $18.50; Paper, $9.00

Black Initiative and Governmental Responsibility
Joint Center Committee on Policy for Racial Justice
1986. Paper, $7.50

The Changing Patterns of Black Family Income, 1960-1982
Henry E. Felder
1984. Paper, $4.95

The Metropolitan Area Fact Book: A Statistical Portrait of Blacks and Whites in Urban America
Katherine McFate, editor
1988. Paper, $11.50

Minorities and the Labor Market: Twenty Years of Misguided Policy
Richard McGahey and John Jeffries
1985. Paper $5.95

Visions of a Better Way: A Black Appraisal of Public Schooling
Joint Center Committee on Policy for Racial Justice
1989. Paper, $9.50

Forthcoming

Black Educational Trends: A Fact Book
Barbara McCloud, editor

Developmental Needs of Male Children (working title)
Cudore Snell and others

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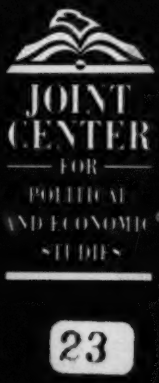

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